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Alert! They say what's hot is not

HOW WOULD YOU like to make more than a million dollars a year just reading different publications?

Well, four fellows together are doing just that. And if you want to say somebody's getting rooked—don't. This group is the backbone of Inferential



**DAN
DORFMAN**

Focus, a New York-based firm that prides itself on piecing together—through extensive reading—bits of information that frequently prove to be indicative of change or the beginning of a new trend. And they have a pretty snazzy record of being right.

Their latest findings—transmitted to 75 investment and corporate clients who pay an average of \$18,000 a year—are especially relevant at

this juncture.

The reason: If you're an investor in any of two red-hot growth industries—personal computers or cable TV—you could be in a heap of trouble down the road, according to our friends at IF. The same could hold true, they warn me, if you're a stockholder of General Motors or IBM.

ANOTHER DEPRESSING note from IF: If you're an assembly-line worker in such manufacturing areas as semiconductors, calculators, aircraft engines, telephones, tape recorders, small computers and TV sets, the chances of your being replaced by a robot—especially a Japanese robot—are growing with each passing day.

The IF folks—who read 180 diverse publications from around the world each month—cater to such blue-chip clients as Morgan Guaranty Trust, Getty Oil, First National Bank of Boston, investment biggies like Investors Diversified Services and Fidelity Management, Travelers Corp. and Philip Morris.

One prime example of IF's ability to spot an early development—and interpret it properly—dates back to early October 1979, when IF alerted its clients to the fact that the Saudis suddenly—and without prior notice—had changed their shipping requirements on all incoming computerized freight.

Containers, which in the past had measured 40 feet and contained two doors, were now required to be scaled back to just 20 feet and have four doors. Not only that, the Saudis went from 20% inspection of all containers to 100%.

IF'S INFERENCE—THE FIRM never makes a specific conclusion—was that the Saudis were worried about illegal arms shipments and the security of the country. Further, IF thought it was quite likely that the Saudis—because of these concerns—would switch some of their wealth into gold (which at the time was around \$372 an ounce). And that, it figured, would have a positive effect on the gold price.

About six weeks later, insurgents took over the Grand Mosque in Mecca, and some six weeks after that (in early January) gold had shot up to \$810.

Two IF principals, Bennett Goodspeed and Charles Hess, point to a similarity in purpose between their activities and those of the Central Intelligence Agency—namely, the effort to anticipate change as an intelligence-gathering service as early as possible.

"We want to be in the early stages of change," explains Goodspeed, who contends that it's more the subtle change—rather than the outright analysis of what's known—that will give you the clue to new realities. He observes that early indications often show up as vague, sketchy things that are hard to explain. But when pieced together with other findings, he goes on, they frequently have significant meaning and often denote the beginning of a trend.

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